

Art. VIII, 8.06

#### **8.06 Provisions to Comply With Section 416 of the Code**

(a) In any Plan Year in which the Plan is considered a "Top-Heavy Plan," as defined in Section 416 of the Code, the requirements of Section 416 of the Code, and the regulations thereunder, are applicable and must be satisfied.

(b) The definition of a "Top-Heavy Plan" set forth in Section 416(g) of the Code and the additional definitions set forth in Section 416(i) of the Code are herein incorporated by reference.

(c) If the Plan is determined to be a "Top-Heavy Plan" for a Plan Year, the Corporation shall make contributions equal to three percent of Compensation on behalf of each Participant who is not a "key employee" under Section 416 of the Code.

#### **8.07 Investment Decisions**

Any Participant or beneficiary, who makes an investment election permitted under the Plan or otherwise exercises control permitted under the Plan over the assets in the account, shall be deemed the named fiduciary under ERISA responsible for such decisions to the extent that such designation is permissible under applicable law and that the investment election or other exercise of control is not protected by Section 404(c) of ERISA, as amended.

#### **8.08 Special Provisions Regarding Veterans**

(a) In the event an Employee is rehired following qualified military service, as defined in the Uniformed Services Employment and Re-Employment Rights Act, that was effective on or after December 15, 1994, such Employee will be entitled to have the Corporation make contributions to the Plan from such Employee's current earnings that shall be attributable to the period of time

## Art. VIII, 8.08(a)

contributions were not otherwise allowable due to military service. Such contributions shall be in addition to contributions otherwise permitted under Sections 4.01 and 5.01, and shall be made as permitted under this Section and Section 414(u) of the Code.

(b) Additional contributions permitted under this Section shall be based on the amount of Eligible Weekly Earnings and Profit Sharing Amount that the Employee would have received from the Corporation but for the military service, and such contributions shall be subject to the Plan's terms and conditions in effect during the applicable period of military service. Such contributions shall be made during the period that begins upon re-employment and extends for the lesser of five years or the Employee's period of military service multiplied by three.

(c) Additional contributions made under this Section shall not be taken into account in the current year, for purposes of calculating and applying any limitation or requirement identified in Section 414(u)(1) of the Code. However, in no event may such contributions, when added to actual contributions previously made, exceed the amount of contributions allowable under the applicable limits in effect during the year of military service if the Employee had continued to be employed by the Corporation.

(d) An Employee covered by this Section who has an outstanding loan(s) during the period of qualified military service covered by this Section, shall be entitled to suspend loan payments during such period, and the time for repayment of such loan(s) shall be extended to coincide with the suspension for a period of time equal to the period of qualified military service.

### 8.09 Prohibition on Reversion

The Plan shall be maintained and administered for the

Art. VIII, 8.09

exclusive purpose of providing benefits to Participants and beneficiaries and defraying reasonable expenses. Except as provided herein, Plan funds may not revert to the Corporation. All contributions to the Plan are conditioned on their deductibility under Section 404 of the Code at the time made. All or any part of a contribution for which a deduction is not allowed may be returned to the Corporation within one year of the date of disallowance. Further, in the event contributions are made due to a mistake or an administration error, such contributions may be returned to the Corporation within one year of the date of discovery of such mistake or error.

## **ARTICLE IX**

### **EMPLOYEE STOCK OWNERSHIP PLAN PROVISIONS**

**9.01** The portion of the Plan that consists of Deferred Assets and After-Tax Assets that are invested in the Delphi Common Stock Fund, including any dividends, earnings or gains thereon (the "ESOP portion" or "ESOP"), is designed to invest primarily in qualifying employer securities as defined by Section 4975(e)(8) of the Code, and is an employee stock ownership plan under Section 4975(e)(7) of the Code. This Article IX applies to this ESOP portion of the Plan.

#### **9.02 ESOP Pre-Tax Savings Limitation**

(a) The ESOP Deferred Savings percentage by the eligible Highly Compensated Employees under the Plan for a Plan Year must meet one of the following tests using the current year testing method:

(i) The actual ESOP Deferred Savings percentage of the eligible Highly Compensated Employees is not more than 1.25 times the actual ESOP Deferred Savings percentage of all other eligible Employees; or

Art. IX, 9.02(a)(ii)

(ii) The actual ESOP Deferred Savings percentage of the eligible Highly Compensated Employees is not more than two percentage points more than the actual ESOP Deferred Savings percentage for all other eligible Employees and is not more than 2.0 times (or, such lesser amount as the Secretary of the Treasury shall prescribe) the actual ESOP Deferred Savings percentage of all other eligible Employees.

(b) The actual ESOP Deferred Savings percentage for the eligible Highly Compensated Employees and all other eligible Employees for a Plan Year is the average of the ratios (calculated separately for each eligible Employee) of the:

(i) Amount of ESOP Deferred Savings actually paid over to the Plan trust not later than two and one-half months after the Plan Year on behalf of such eligible Employee for the Plan Year to:

(ii) The eligible Employee's Compensation for such Plan Year.

(c) The amount of ESOP Deferred Savings for a Highly Compensated Employee that exceeds the percentage limitations of subsection (a) of this Section 9.02 shall be distributed to the Participant no later than two and one-half months following the end of the Plan Year. The amount of any such distribution shall be determined under a reasonable method selected by the Administrator under applicable tax regulations and will include any earnings attributable to the excess ESOP Deferred Savings.

**9.03 ESOP After-Tax Contribution Limitation**

(a) The ESOP After-Tax Contribution percentage by the eligible Highly Compensated Employees under the Plan for a Plan Year must meet one of the following tests using the current year testing method:

Art. IX, 9.03(a)(i)

(i) The actual ESOP After-Tax Savings percentage of the eligible Highly Compensated Employees is not more than 1.25 times the actual ESOP After-Tax Savings percentage of all other eligible Employees; or

(ii) The actual ESOP After-Tax Savings percentage of the eligible Highly Compensated Employees is not more than two percentage points more than the actual ESOP After-Tax Savings percentage for all other eligible Employees and is not more than 2.0 times (or, such lesser amount as the Secretary of the Treasury shall prescribe) the actual ESOP After-Tax Savings percentage of all other eligible Employees.

(b) The actual ESOP After-Tax Savings percentage for the eligible Highly Compensated Employees and all other eligible Employees for a Plan Year is the average of the ratios (calculated separately for each eligible Employee) of the:

(i) Amount of ESOP After-Tax Savings actually paid over to the Plan trust on behalf of such eligible Employee for the Plan Year to:

(ii) The eligible Employee's Compensation for such Plan Year.

(c) The amount of ESOP After-Tax Savings for a Highly Compensated Employee that exceeds the percentage limitations of subsection (a) of this Section 9.03 shall be distributed to the Participant no later than two and one-half months following the end of the Plan Year. The amount of any such distribution shall be determined under a reasonable method selected by the Administrator under applicable tax regulations and will include any earnings attributable to the excess ESOP After-Tax Savings.

Art. IX, 9.04

**9.04 ESOP Special Rules**

(i) In the event that this ESOP portion of the Plan satisfies the requirements of Sections 401(k), 401(m), 401(a)(4), or 410(b) of the Code only if aggregated with one or more other plans, or if one or more other plans satisfy the requirements of such sections of the Code only if aggregated with this Plan, then this Section 9.04 shall be applied by determining the actual ESOP Deferred Savings percentage of eligible Employees as if all such plans were a single plan.

(ii) The actual ESOP Deferred Savings percentage or ESOP After-Tax Savings percentage for any Participant who is a Highly Compensated Employee for the Plan Year, and who is eligible to participate in two or more arrangements described in Sections 401(k) and 401(m) of the Code that are maintained by the Corporation, shall be determined by treating all such plans as a single plan. Notwithstanding the foregoing, certain plans shall be treated as separate if mandatorily disaggregated under regulations under Sections 401(k) and 401(m) of the Code.

(iii) In the event the limits of Sections 9.02 or 9.03 are exceeded, then the actual ESOP Deferred Savings percentage or the actual ESOP After-Tax Savings percentage of those Highly Compensated Employees will be reduced using the same correction procedure set forth in Sections 4.04(d)(iii) and 5.04 as needed so that the limits are not exceeded. The amount by which each Highly Compensated Employee's ESOP Deferred Savings or ESOP After-Tax Savings is reduced shall be treated as an Excess Contribution or Excess Aggregate Contribution, respectively. The actual ESOP Deferred Savings percentage or the actual ESOP After-Tax Savings percentage of the Highly Compensated Employees is determined after any corrections are made. Excess contributions and excess aggregate contributions shall be treated as Annual Additions.



Art. IX, 9.05

#### **9.05 Distribution of ESOP Dividends**

A Participant may elect to receive cash dividends paid on shares of Delphi Common Stock corresponding to the units in the Delphi Common Stock Fund in a Participant's Account, rather than being reinvested in the respective funds, provided the Participant gives appropriate and timely notice of such election to the party designated by the Administrator. Dividends paid directly to Participants pursuant to this Section shall be paid not later than 90 days after the end of the Plan Year.

### **ARTICLE X**

#### **ADMINISTRATION**

##### **10.01 Administrative Responsibility**

The Executive Committee of the Corporation's Board of Directors shall be the Named Fiduciary with respect to the Plan except as set forth below and in Section 8.07. The Executive Committee may delegate authority to carry out such of its responsibilities as it deems proper to the extent permitted by The Employee Retirement Income Security Act of 1974. Except as set forth in Section 8.07, General Motors Investment Management Corporation (GMIMCo) is the Named Fiduciary of this Plan for purposes of investment of Plan assets. GMIMCo may delegate authority to carry out such of its responsibilities as it deems proper to the extent permitted by The Employee Retirement Income Security Act of 1974.

Pursuant to authority delegated to it by the Named Fiduciary, Delphi, or its delegate, shall have responsibility for the day-to-day operation, management, and administration of the Plan, including full power and authority to construe, interpret, and administer this Plan and to pass upon and decide cases

Art. X, 10.01

presenting unusual circumstances in conformity with the objectives of the Plan and under such rules as Delphi or its delegate, may establish. Decisions of Delphi, or its delegate, shall be final and binding upon the Corporation and its employees.

**10.02 Records**

The Administrator shall provide for the maintenance of suitable records to reflect the separate Account balance of each Participant's contributions and any earnings thereon.

The Administrator shall make, or cause to be made, valuations of the trust fund or market value at least annually.

**10.03 Administrative Expenses**

Administrative expenses of the Plan shall be paid from assets liquidated pursuant to subsection (c) of Section 6.04. To the extent such expenses are not thereby paid in full, such expenses will be paid by the Corporation.

With regard to the fees for the Socially Oriented Funds and the Promark Funds (excluding the Fund currently known as the Promark Large Cap Index Fund), such fees for investment, Trustee, and management shall be paid by the Funds.

**10.04 Participant Statements**

Each Participant will be furnished a statement no less than four times per year showing the Current Market Value of the assets, including earnings, credited to the Participant's Account.

**10.05 Incapacity**

If the Administrator deems any person incapable of receiving any distribution to which such person is entitled under this Plan because such person has not yet



Art. X, 10.05

reached the age of majority, or because of illness, infirmity, mental incompetency or other incapacity, it may make payment, for the benefit or the account of such incapacitated person, to any person selected by the Administrator, whose receipt thereof shall be a complete settlement thereof. Such payments shall, to the extent thereof, discharge all liability of the Corporation and each other fiduciary with respect to this Plan.

**10.06 Notice of Claim Denial**

The Administrator will provide adequate notice, in writing, to any Participant or beneficiary whose claim for benefits under the Plan has been denied, setting forth the specific reasons for such denial.

The Participant or beneficiary will be given an opportunity for a full and fair review by the Named Fiduciary, or its delegate, of the decision denying the claim. The Participant or beneficiary will be given 60 days from the date of the notice denying such claim within which to request such review.

**10.07 Confidential Information**

The Administrator, or its delegate, shall be responsible for ensuring that sufficient procedures are in place and followed to safeguard the confidentiality (except to the extent necessary to comply with federal laws or state laws not pre-empted by ERISA) of information relating to the purchase, holding, and sale of securities, and the exercise of voting, tender, and similar rights with respect to such securities by Participants and beneficiaries. If deemed necessary by the Administrator, due to potential for undue employer influence with regard to exercise of shareholder rights, an independent party will be appointed by the Administrator to carry out instructions of Participants or beneficiaries relating to such rights.

Art. XI

## **ARTICLE XI**

### **AMENDMENT, MODIFICATION, SUSPENSION, OR TERMINATION**

#### **11.01 Amendment, Modification, Suspension, or Termination**

The Corporation reserves the right, by and through its Board of Directors, or its delegate, to amend, modify, suspend, or terminate the Plan, but any such action shall have no retroactive effect which would prejudice the interests of the Participants.

#### **11.02 Distribution Upon Plan Termination**

In the event of termination or partial termination of the Plan without establishment of a successor plan, the Administrator may direct the Trustee to:

(a) continue to administer the trust fund and pay Account balances in accordance with Section 6.04 to Participants affected by the termination of the Plan upon their termination of employment, or to beneficiaries upon such a Participant's death, until the trust fund has been liquidated; or

(b) distribute as soon as administratively feasible the assets remaining in the trust fund in a lump sum to Participants and beneficiaries in proportion to their respective Account balances.

(c) In the event of termination, or partial termination, or a complete discontinuance of contributions under the Plan, the account balance of each affected Participant will be non-forfeitable.

Misc. (Benefits Training and Education)

## **DELPHI CORPORATION**

September 18, 2003

International Union, United Automobile  
Aerospace and Agricultural Implement  
Workers of America, UAW  
8000 East Jefferson Avenue  
Detroit, MI 48214

Attn: Mr. Richard Shoemaker  
Vice President and Director  
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties renewed their commitment to provide ongoing training programs for Company and Union Benefit Representatives so as to improve the quality of service provided to hourly employees. The parties also recognized the importance of communications programs aimed at educating employees about their benefits.

It was agreed that such training and education programs will be developed jointly and the cost of developing and implementing such programs properly will be paid from the National Joint Skill Development and Training Fund as approved by the Executive Board for Joint Activities. These include, but are not limited to, the following:

- Joint Delphi-UAW Benefits Training Conference may be scheduled upon approval by the parties.
- Continuing education program for Union Benefit Representatives will be provided by the parties. Training sessions will be scheduled for newly appointed Union Benefit Representatives and Alternates as agreed to by the parties. The sessions will concentrate on areas such as eligibility to receive benefits, description and interpretation of benefit plan provisions, and calculation of benefits.
- Conduct periodic on-site plant surveys and audits to evaluate training and education needs to improve employee service.

*Misc. (Benefits Training and Education)*

- Ad hoc training meetings on legal developments or other special needs.

Included also are any travel, lodging and living expenses incurred by Company and Union representatives in relation to the above. In addition, the Fund will pay for lost time (eight hours per day base rate plus COLA) of Union Benefit Representatives attending such programs away from their locations. The Company will pay for the time (eight hours per day base rate plus COLA) of alternate Union Benefit Representatives who replace those attending such programs.

Very truly yours,

DELPHI CORPORATION

Kevin M. Butler

Vice President

Human Resource Management

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE,  
AEROSPACE AND AGRICULTURAL IMPLEMENT  
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

Misc. (Improving Benefits Service Through Technology)

## **DELPHI CORPORATION**

September 18, 2003

International Union, United Automobile  
Aerospace and Agricultural Implement  
Workers of America, UAW  
8000 East Jefferson Avenue  
Detroit, MI 48214

Attn: Mr. Richard Shoemaker  
Vice President and Director  
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties recognized the need to move ahead with the development of technological applications to improve the quality of service provided to hourly employees.

1. The parties recognized the need to provide the necessary tools to Local Union Benefit Representatives so that they may improve the service they are providing to hourly employees. Local Union Benefit Representatives require basic information that can be accessed quickly in order to confidently and accurately answer many of the questions they receive. Therefore, the parties have designed two systems, the Benefits Data Access and the Benefits WorkStation Access systems, whereby Local Union Benefit Representatives have access to certain data elements from several benefit data systems. These systems provide inquiry only access to Local Union Benefit Representatives who complete a computer training program. Access is limited to information for UAW hourly employees at their particular location.
2. The parties jointly will develop and implement a new benefit documentation feature to the existing systems that will be available to Local Union Benefit Representatives. The Systems will include benefit plan booklets, administrative manuals (where applicable), relevant contract provisions and appropriate process descriptions. Upon approval by

Misc. (Improving Benefits Service Through Technology)

the Executive Board of Joint Activities, the cost of development, hardware and software requirements, conversion of written documentation, and installation and training, will be charged to the National Joint Skill Development and Training Fund. It is contemplated the benefit documentation feature will be implemented during the term of the 2003 Agreement.

3. The parties further agreed to provide hourly employees with web technology in addition to the continued use of a Voice Response System for inquiry and transactions in the Personal Savings Plan.
4. The parties agree to enhance the Benefit Data Access System to provide the Pension Plan survivor coverage election/rejection and the cost of such survivor option. The cost of development and implementation will be charged to the National Joint Skill Development and Training Fund.

In conclusion, during the term of the new Agreement, the parties pledge to carefully consider every opportunity to improve the quality and efficiency in benefits delivery.

Very truly yours,

DELPHI CORPORATION

Kevin M. Butler

Vice President

Human Resource Management

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE,  
AEROSPACE AND AGRICULTURAL IMPLEMENT  
WORKERS OF AMERICA, UAW

By: Richard Shoemaker



(PSP Contribution Level and Roth IRA)

## **DELPHI CORPORATION**

September 18, 2003

International Union, United Automobile  
Aerospace and Agricultural Implement  
Workers of America, UAW  
8000 East Jefferson Avenue  
Detroit, MI 48214

Attn: Mr. Richard Shoemaker  
Vice President and Director  
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, Delphi agreed to provide for a Roth IRA in the PSP beginning January 1, 2006, that would be consistent with legal and regulatory guidelines.

Very truly yours,

DELPHI CORPORATION

Kevin M. Butler  
Vice President  
Human Resource Management

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE,  
AEROSPACE AND AGRICULTURAL IMPLEMENT  
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

(PSP Employee Workshop)

**DELPHI CORPORATION**

September 18, 2003

International Union, United Automobile  
Aerospace and Agricultural Implement  
Workers of America, UAW  
8000 East Jefferson Avenue  
Detroit, MI 48214

Attn: Mr. Richard Shoemaker  
Vice President and Director  
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the  
Corporation's willingness to continue to make  
available to hourly employees during non-working time  
the two Fidelity Workshops titled, the Investment  
Education Workshop and the Getting Ready for  
Retirement Workshop. Such workshops may be  
scheduled upon the request of the local Union and  
Management leadership. The parties recognize the  
importance of educating employees on the Personal  
Savings Plan.

Very truly yours,

DELPHI CORPORATION

Kevin M. Butler  
Vice President  
Human Resource Management

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE,  
AEROSPACE AND AGRICULTURAL IMPLEMENT  
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

Dividend and Cash Investment Plan

**DELPHI CORPORATION**

September 18, 2003

International Union, United Automobile  
Aerospace and Agricultural Implement  
Workers of America, UAW  
8000 East Jefferson Avenue  
Detroit, MI 48214

Attn: Mr. Richard Shoemaker  
Vice President and Director  
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the  
ability of employees and retirees to purchase  
additional Delphi Common Stock with no load outside  
of the Personal Savings Plan.

The Corporation informed the Union of the availability  
of the Dividend Reinvestment and Stock Purchase  
Program and the Union agreed that this Plan  
satisfactorily addressed their request.

Very truly yours,

DELPHI CORPORATION

Kevin M. Butler  
Vice President  
Human Resource Management

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE,  
AEROSPACE AND AGRICULTURAL IMPLEMENT  
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

Annual Review of Fund Performance

**DELPHI CORPORATION**

September 18, 2003

International Union, United Automobile  
Aerospace and Agricultural Implement  
Workers of America, UAW  
8000 East Jefferson Avenue  
Detroit, MI 48214

Attn: Mr. Richard Shoemaker  
Vice President and Director  
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the  
Union's interest in a more active role in understanding  
the direction of the Personal Savings Plan (PSP). To this  
end, the parties agreed that General Motors Asset  
Management (GMAM) and Fidelity would make an  
annual presentation to the Union on the PSP. The  
review will include such things as:

Plan Participation  
Account Status and Activity  
Average Participant Account Balance  
Amount of Assets in Available Investment Options  
Promark Fund Performance  
Fidelity Fund Performance  
Fund and Plan Expenses

Annual Review of Fund Performance

The parties will discuss the current array of funds, their performance and any recommendation for changes. At the joint request of the parties, GMAM will review funds and other future directions and report its recommendations to the parties.

Very truly yours,

DELPHI CORPORATION

Kevin M. Butler

Vice President

Human Resource Management

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE,  
AEROSPACE AND AGRICULTURAL IMPLEMENT  
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

Electronic Loan Repayment

**DELPHI CORPORATION**

September 18, 2003

International Union, United Automobile  
Aerospace and Agricultural Implement  
Workers of America, UAW  
8000 East Jefferson Avenue  
Detroit, MI 48214

Attn: Mr. Richard Shoemaker  
Vice President and Director  
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the  
loan repayment process for those Personal Savings  
Plan (PSP) Participants who are not actively at work.

The parties agreed that those PSP Participants who are  
not actively at work would receive information about  
establishing an Electronic Funds Transfer (EFT) with  
their loan coupon book. Participants will have the  
option of repaying their loans through the convenience  
of EFT or via mail by using their loan coupon book.

Very truly yours,

DELPHI CORPORATION

Kevin M. Butler  
Vice President  
Human Resource Management

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE,  
AEROSPACE AND AGRICULTURAL IMPLEMENT  
WORKERS OF AMERICA, UAW

By: Richard Shoemaker